

MINUTES OF MEETING  
HERON ISLES COMMUNITY DEVELOPMENT DISTRICT

A special meeting of the Board of Supervisors of the Heron Isles Community Development District was held on Monday, June 26, 2017 at 10:30 a.m. at the Compass Group Conference Room, 961687 Gateway Blvd., Suite 201M, Amelia Island, Florida.

Present and constituting a quorum were:

Ricky Rowell	Chairman
Kathleen Blessing	Supervisor
Justin Blessing	Supervisor
Robert Martyn	Supervisor

Also present were:

Dave deNagy	District Manager
Jason Walters	District Council
Cheryl Graham	Leland Management
Daniel Laughlin	GMS
Sete Zare	MBS Capital Markets (by phone)
Danny Tyler	Nabors, Giblin

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. deNagy called the meeting to order at 10:34 a.m.

**SECOND ORDER OF BUSINESS**

**Audience Comments**

There were no audience members in attendance.

**THIRD ORDER OF BUSINESS**

**Consideration of Matters Related to Series  
2017 Refinancing**

**A. Resolution 2017-09, Finalizing 2017 Bond Assessments**

Ms. Zare was asked to give a breakdown of where the CDD landed on the refinancing.

Ms. Zare stated we estimated about 8.94% debt service reduction, which translated to about \$42 per resident. Post election we saw quite a bit of market volatility, and we came back to the board asking for a lower annual debt service threshold. We then reduced it to 6%. We

saw the market rally and saw more favorable results for the residents. We were able to achieve 11.5% annual debt service reduction, which translates to about \$58 on a gross basis compared to what is on your tax roll right now. We realized more than we initially anticipated – 11.5% annual debt service reduction compared to the 6% threshold the board passed. We are very pleased with the results and hope the residents are pleased as well.

Mr. Walters stated we were able to secure insurance on that, which I think helped the rate. Sete did a great job rallying everything together at the last minute to get us a really good level of savings for the residents.

Mr. Walters stated the summary of the resolution is this is just to bring in the final numbers. Several months ago we went through the assessment process. We had the hearing, all the residents came, and we had set the assessment level. This resolution is a supplement to that original resolution to bring in the final numbers. The exhibit behind the resolution is the final assessment methodology. You might recall you approved a similar document to this at that previous hearing, and the biggest change is the assessment roll attached to it. You can see where the assessments were, the amount of savings for each lot, and the new assessment that we will be levying on each lot. That is the meat of this resolution. You can view the findings that we make again and, importantly, adopting the supplemental methodology as Exhibit A to this resolution. We will confirm the maximum assessment lien, which is in accordance with those numbers you see on that exhibit. Those will be on this year's assessment rolls. The residents will see that savings on their current bill.

On MOTION by Mr. Rowell seconded by Ms. Blessing with all in favor Resolution 2017-09 finalizing the Series 2017 bond assessments was approved.

#### **B. Other Matters**

Mr. Rowell asked about Table 4 on Page 7, some parcels are blanked out, why is that?

Mr. deNagy responded those parcels have prepaid their debt lien.

Ms. Zare responded there are a total of 749 residential units within the District, however, 188 units have pre-paid, which means they have paid their debt in full on their parcel alone. Those are the ones that are blanked out.

**FOURTH ORDER OF BUSINESS**

**Consideration of Soliciting Proposals for District Engineering Services**

Mr. deNagy stated in your agenda package is a Request for Qualifications for Engineering Services. We talked about it at the last meeting.

Mr. Walters stated at the last meeting there was discussion regarding moving forward towards building a new amenity center and engaging a new engineer. You authorized us to go out for an RFQ. What you see is the notice. This is what goes in the paper, and we are required by statute to go through The Consultants Competitive Negotiation Act. This has a threshold of notices, a criteria has to be set up, and interested firms will submit a package to us essentially saying here is our resume. The board will evaluate those proposals and select an engineering firm to enter negotiations with. The negotiations are largely around rates. On the second page is a form of the criteria that we have used at several other Districts. There is nothing set in stone, but it is something we have used in the past and has worked well for us. This is the criteria we are suggesting to the board. We will put this notice in the paper and have packages back by the next meeting. At this meeting we are looking for you to approve the criteria that you see on the second page.

Mr. Rowell asked when you get the packages back, will you review them and have a suggestion for the board once you bring it back to us or are we going to have to evaluate each of the packets we received.

Mr. Walters responded I will do a cursory review to make sure that they are compliant in their response. If they don't provide certain information, they may not qualify to serve as District Engineer. I will give it the cursory legal review and make sure if we are going to disqualify anyone we have the proper basis for that. We will then distribute all the packages to the board members. It is ultimately the board that will select the firm. What we have done in the past that may be helpful is Dave may come up with a suggested scoring because we have to go by these points. We have to rank them based on the criteria we put out. We assign a point score for each category for each firm. From a staff perspective, we can at least have a suggested scoring, and the board can adopt that scoring. The other alternative is the board scores them all individually, and then we can either adopt one of those or we can combine those into an average and come up with a top-ranked firm. We will come up with a suggested scoring, and the board can take whatever direction they like.

On MOTION by Mr. Rowell seconded by Mr. Martyn with all in favor the Engineering Services RFQ was approved.

Proposals will be returned for board consideration at the August 3 meeting.

**FIFTH ORDER OF BUSINESS**

**Other Business**

There being none, the next item followed.

**SIXTH ORDER OF BUSINESS**

**Supervisor's Requests and Audience Comments**

**Supervisor Requests**

There were no supervisor requests.

**Audience Comments**

There were no audience members.

**SEVENTH ORDER OF BUSINESS**

**Next Scheduled Meeting**

Mr. deNagy stated the next meeting will be August 3, 2017, at the Residence Inn Amelia Island, 2301 Sadler Road, Fernandina Beach at 6:00 p.m.

**EIGHTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Rowell seconded by Ms. Blessing with all in favor the Meeting was adjourned.

  
Secretary/Assistant Secretary

  
Chairman/Vice Chairman